



Economic Development Proposals

Economic Development Committee

September 13, 2018

Andy Icken – Chief Development Officer
Gwendolyn Tillotson – Deputy Director





Presentation Outline

I. TIRZ Diversity Dashboard Report

II. TIRZ Council Action Proposals

a) Background

1. Annexation Statute
2. Taxable Value (Current Status)
3. Annexation Impact

b) Proposals

1. Summary
2. Debt Authorization
3. Annexation/Life Extension



TIRZ Diversity Dashboard Report

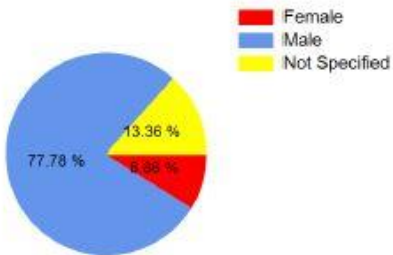
MWDBE Reporting Progress Status:

1. High Payment-to-Award Ratio *(At least 70% of award amount has been paid)*

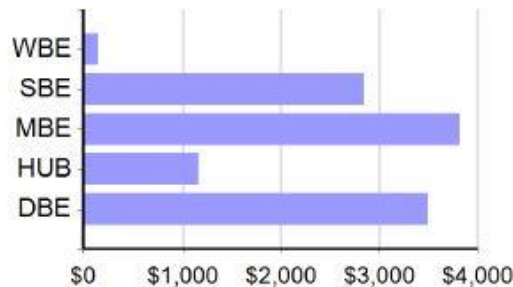
Midtown TIRZ

Contract Type	Total Award	Certified Award	Goal	Total Payments	Payments for Credit	Actual	No. of Contracts
Construction	\$44,716,980	\$8,031,463	18.0%	\$43,015,944	\$6,751,491	15.7%	6
Professional Services	\$5,022,879	\$2,714,233	54.0%	\$4,371,745	\$2,184,857	50.0%	4
Subtotal	\$49,739,859	\$10,745,696	21.6%	\$47,387,689	\$8,936,348	18.9%	10
0% Goal Contracts	\$13,404,963	\$5,240,835	0.0%	\$8,956,632	\$2,526,611	0.0%	4
Grand Total	\$63,144,821	\$15,986,530	25.3%	\$56,344,321	\$11,462,959	20.3%	14

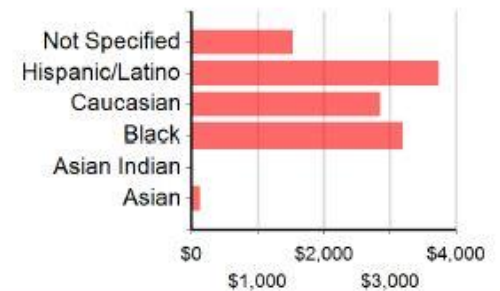
Gender



Certification Type (in Thousands)



Ethnicity (in Thousands)





TIRZ Diversity Dashboard Report

FY2015 – FY2019

Name	Total Award	MWDBE Award %	Total Payments	MWDBE Payments	Actual %	Highlights		
St. George Place	\$1.5M	26.1%	\$1.1M	\$284K	26.0%	Female: 51.8%	WBE: 51.8% SBE: 48.4%	
Midtown	\$63.1M	25.3%	\$56.3M	\$11.5M	20.3%	Female: 8.9%	MBE: 33.3% DBE: 30.4% SBE: 24.8% HUB: 10.1%	Black: 27.9% Hispanic/Latino: 32.7%
Market Square	\$37.3M	25.2%	\$36.9M	\$9.4M	25.7%	Female: 6.0%	SBE: 90.5%	Black: 3.5%
OST/Almeda	\$7.9M	52.4%	\$6.2M	\$3.6M	58.5%	Female: 1.8%	MBE: 98.2%	Native American: 29.0% Hispanic/Latino: 67.3%
Lake Houston	\$1.2M	44.1%	\$871K	\$156K	17.9%	Female: 5.1%	MBE: 100%	Hispanic/Latino: 94.9%
Southwest Houston	\$25.2M	17.9%	\$19.2M	\$4.5M	23.3%	Female: 57.6%	DBE: 84.4% SBE: 11.6% MBE: 4.1%	Black: 44.3% Hispanic/Latino: 36.0%



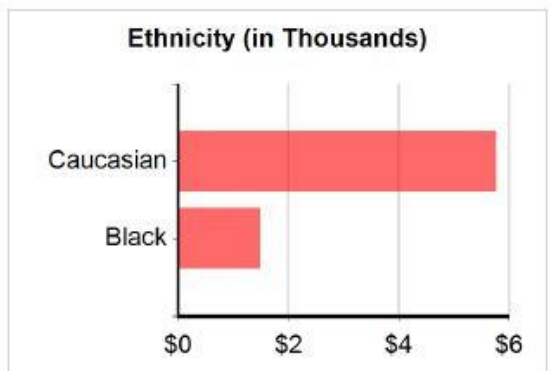
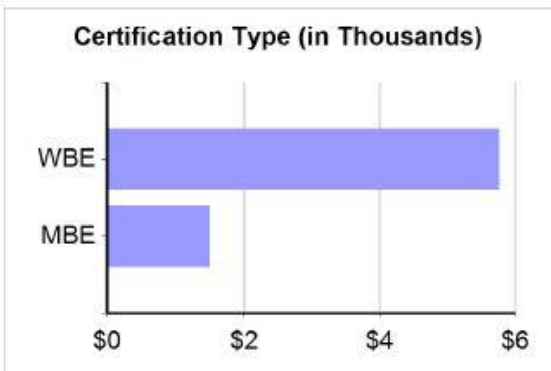
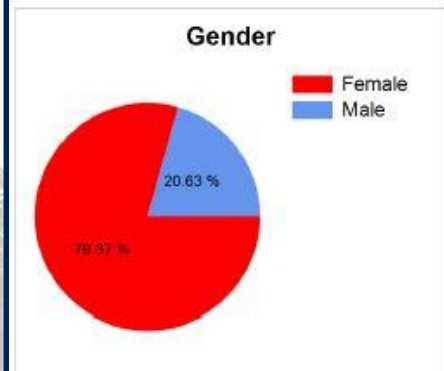
TIRZ Diversity Dashboard Report

MWDBE Reporting Progress Status:

2. Low Payment-to-Award Ratio (*TBD as project progresses*)

East Downtown

Contract Type	Total Award	Certified Award	Goal	Total Payments	Payments for Credit	Actual	No. of Contracts
Construction	\$6,373,969	\$1,185,091	18.6%	\$586,347	\$7,271	1.2%	1
Subtotal	\$6,373,969	\$1,185,091	18.6%	\$586,347	\$7,271	1.2%	1
0% Goal Contracts			0.0%			0.0%	0
Grand Total	\$6,373,969	\$1,185,091	18.6%	\$586,347	\$7,271	1.2%	1





TIRZ Diversity Dashboard Report

Name	Total Award	MWDBE Award %	Total Payments	MWDBE Payments	Actual %	Highlights		
Memorial Heights	\$2.4M	52.3%	\$1.7M	\$1.1M	68.0%	Female: 1.2%	MBE: 66.5% SBE: 26.0% DBE: 7.5%	Black: 80.8%
Gulfgate	\$2.8M	45.0%	\$232K	\$31K	13.2%	Male: 100%	SBE: 63.6% MBE: 36.4%	Asian Indian: 100%
Greenspoint	\$23.0M	2.2%	\$9.2M	\$172K	1.9%	Female: 11.5%	MBE: 49.3% DBE: 40.3% WBE: 10.4%	Hispanic/Latino: 45.1% Black: 40.3% Asian: 4.3%
East Downtown	\$6.4M	18.6%	\$586K	\$7.2K	1.2%	Female: 79.4%	WBE: 79.4% MBE: 20.6%	Black: 20.6%
Uptown	\$122.4M	30.7%	\$81.0M	\$23.3M	28.8%	Female: 25.4%	MBE: 57.6% SBE: 21.5% WBE: 13.4% DBE: 7.5%	Hispanic/Latino: 23.5% Asian Indian: 23.1% Black: 13.1%
Memorial City	\$12.8M	19.0%	\$6.6M	\$924K	14.1%	Female: 26.9%	DBE: 66.3% SBE: 25.8% MBE: 7.9%	Asian Indian: 19.0% Asian: 16.6% Hispanic/Latino: 7.9%
Upper Kirby	\$44.4M	22.5%	\$30.0M	\$3.8M	12.8%	Female: 13.1%	SBE: 54.2% DBE: 34.1% MBE: 11.7%	Hispanic/Latino: 38.0% Asian: 18.5% Black: 14.8%



TIRZ Diversity Dashboard Report

Questions?





Annexation Statute

Tax Code Sec. 311.006

- **Recognize statutory restrictions for TIRZ composition:**
 - No more than 25% of Total Appraised Value of real property in the municipality and industrial districts may be located with a TIRZ
- **Prioritize annexations of taxable value:**
 - Stimulates and grows the taxable value within underserved communities
 - Positions the TIRZ to attract capital investment and jobs along defined corridors
- **Prioritize annexations of right-of-way only:**
 - Leverages existing investments and capital projects within TIRZ boundaries
 - Constructs infrastructure that directly enhances mobility



Taxable Value

TIRZ Annexation Overview (TY2017)

Taxable Real Property (TIRZ)	\$41,928,007,975
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Taxable Real Property* (Industrial Districts)	\$5,475,522,554
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Taxable Real Property (COH)	\$200,281,439,397
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Tax Increment Financing Act Sec. 311.006	\$205,756,961,951
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Ratio

20.38%

TY2015

18.44%



Annexation Impact

Right-of-Way Only – “NO Taxable Value” Annexation

No.	Name	Cap Percentage	Cap Level w/ Annex.
10	Lake Houston	0.00%	20.38%
17	Memorial City	0.00%	20.38%



Council Action Proposals – Summary

No.	Name	Action	Purpose	Value	Project(s)
Debt Authorization Only					
1	St. George Place	Debt Authorization	To leverage federal grant funding to support potential drainage projects in the area	Approx. \$20M	<ul style="list-style-type: none"> - Chimney Rock (Reconstruction and related drainage) - Bering Ditch (Underground Detention)
7	OST/Almeda	Debt Authorization	To spur development within the zone and leverage recent activity in close proximity to Emancipation Ave.	Approx. \$60M	<ul style="list-style-type: none"> - Emancipation Ave Reconstruction - Emancipation Park & Community Center - Holman St Reconstruction - Live Oak St Reconstruction - Scott St Reconstruction - Greater Third Ward Neighborhood
9	S. Post Oak	Debt Authorization	To allow for additional projects identified to support mobility and pedestrian enhancements.	Approx. \$15M	<ul style="list-style-type: none"> - Corinthian Pointe Improvements; - Roadway Corridor Improvements; - Parks, Open Spaces and Trails; - Public Safety (Nitida Street Corridor Improvements; - Affordable Housing; - Economic Development (Property Acquisition)
19	Upper Kirby	Debt Authorization	To allow for additional projects identified to support mobility enhancements along major corridors.	Approx. \$65M	<ul style="list-style-type: none"> - Greenbriar Drainage System Improvements; - Shepherd Drainage System Improvements; - West Alabama Reconstruction (including drainage);

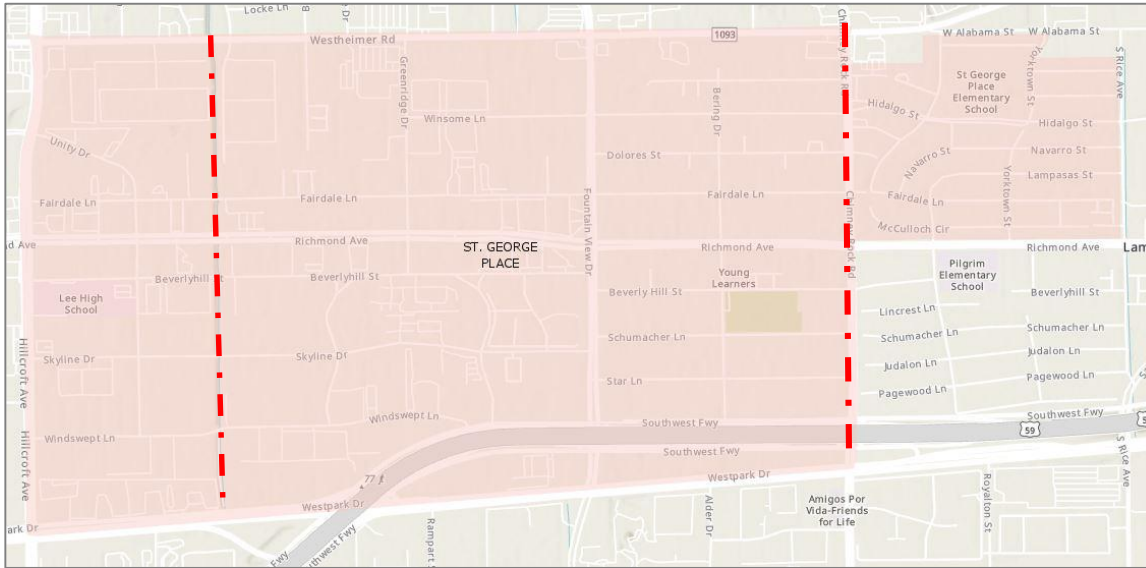


Council Action Proposals – Summary

No.	Name	Action	Purpose	Value	Project(s)
Life Extension Only					
5	Memorial Heights	Life Extension	To allow for additional projects identified to enhance resiliency and economic development.	10 Years Extension to 2038 (assessing 2048 option)	<ul style="list-style-type: none"> - 19th Street Reconstruction; - 20th Street Reconstruction; - Shepherd Dr Reconstruction - Durham Dr Reconstruction - White Oak Bayou Remediation/Channel Reclamation;
	*Will include affordable housing set-aside				
Annexation Only					
17	Memorial City	Annexation	To allow for additional projects in annexed right-of-way	Right-of-Way Acquisition	- Hike and Bike Trail – Memorial Drive to Terry Hershey Park
Multiple Actions					
10	Lake Houston	Annexation	Improve mobility and resiliency along major roadways in the area	Right-of-Way Acquisition	- Northpark Drive
10	Lake Houston	Life Extension	Improve mobility and resiliency along major roadways in the area	20 Years Extension to 2048	- Northpark Drive
	*Will include affordable housing set-aside				
10	Lake Houston	Debt Authorization	Improve mobility and resiliency along major roadways in the area	Approx. \$50M	- Northpark Drive



St. George Place – Debt Authorization



Purpose:

Leverage federal grant funding to support potential drainage projects in the area

Value:

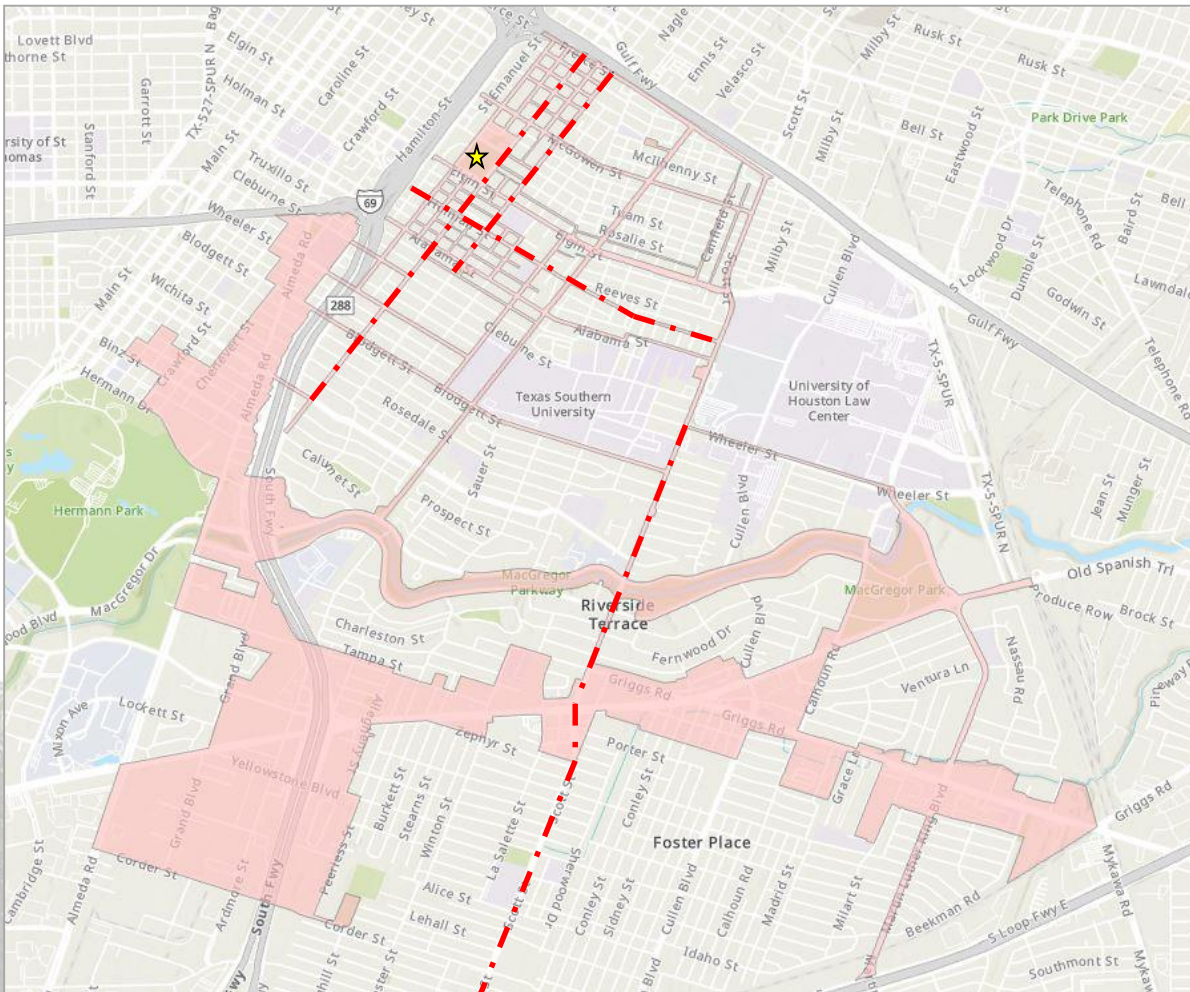
Approx. \$20 Million

Projects Include:

- Chimney Rock (Westheimer to US-59)
- W-142 Bering Ditch



OST/Almeda – Debt Authorization



Purpose:

Spur development within the zone and capitalize on recent activity in close proximity to Emancipation Ave.

Value:

Approx. \$60 Million

Projects Include:

- Emancipation Ave Reconstruction
- Emancipation Park & Community Center
- Holman St Reconstruction
- Live Oak St Reconstruction
- Scott St Reconstruction
- Greater Third Ward Neighborhood



S. Post Oak – Debt Authorization

Purpose:

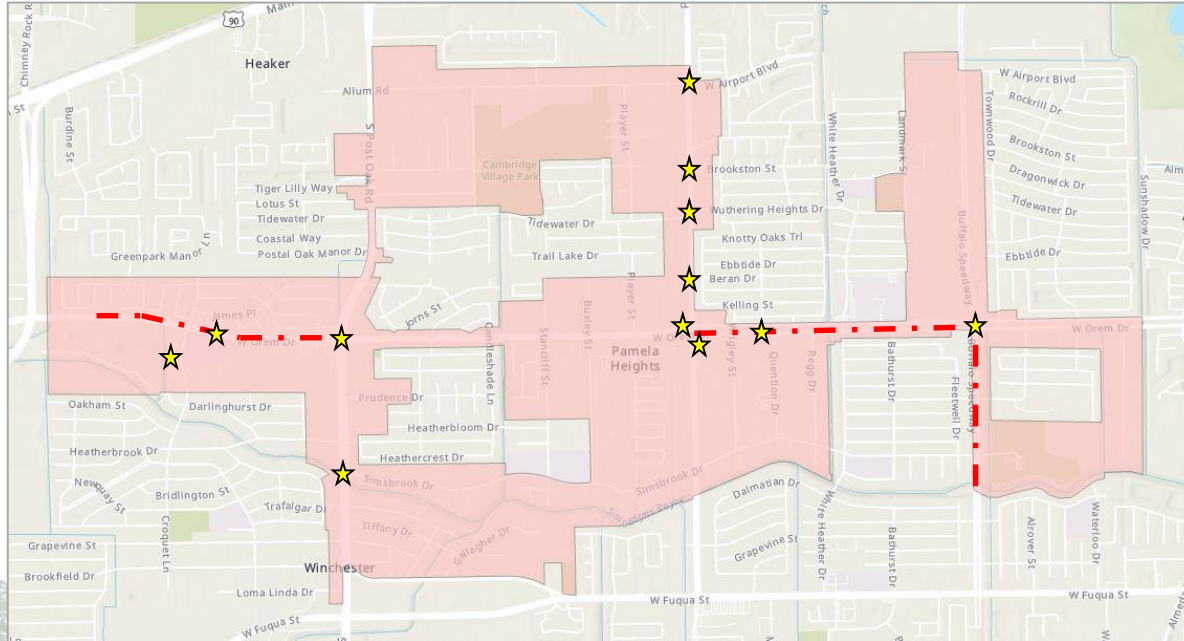
Allow for additional projects identified to support mobility and pedestrian enhancements.

Value:

Approx. \$15 Million

Projects Include:

- Corinthian Pointe Improvements;
- Roadway Corridor Improvements;
- Parks, Open Spaces and Trails;
- Public Safety (Nitida Street Corridor Improvements);
- Affordable Housing;
- Economic Development (Property Acquisition)



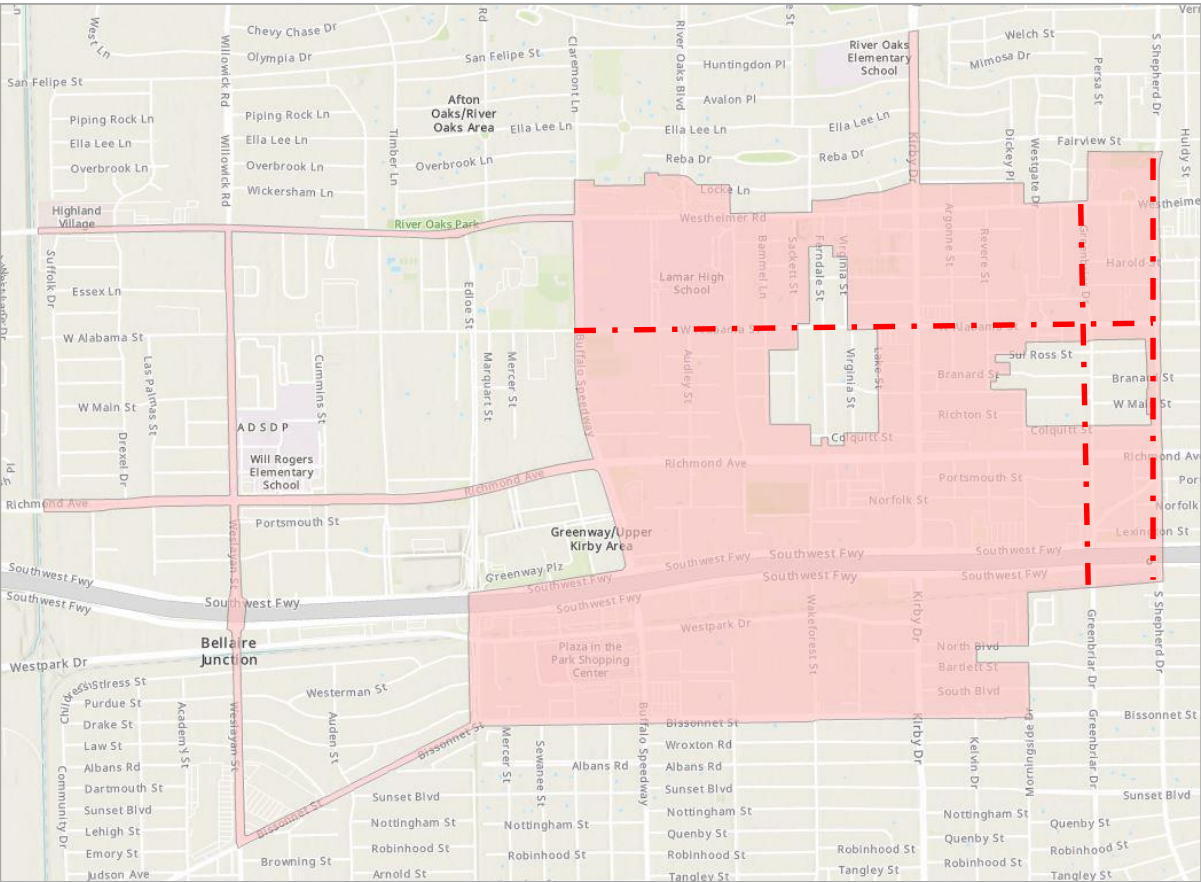


Upper Kirby – Debt Authorization

Purpose:
Allow for additional projects identified to support mobility enhancements along major corridors.

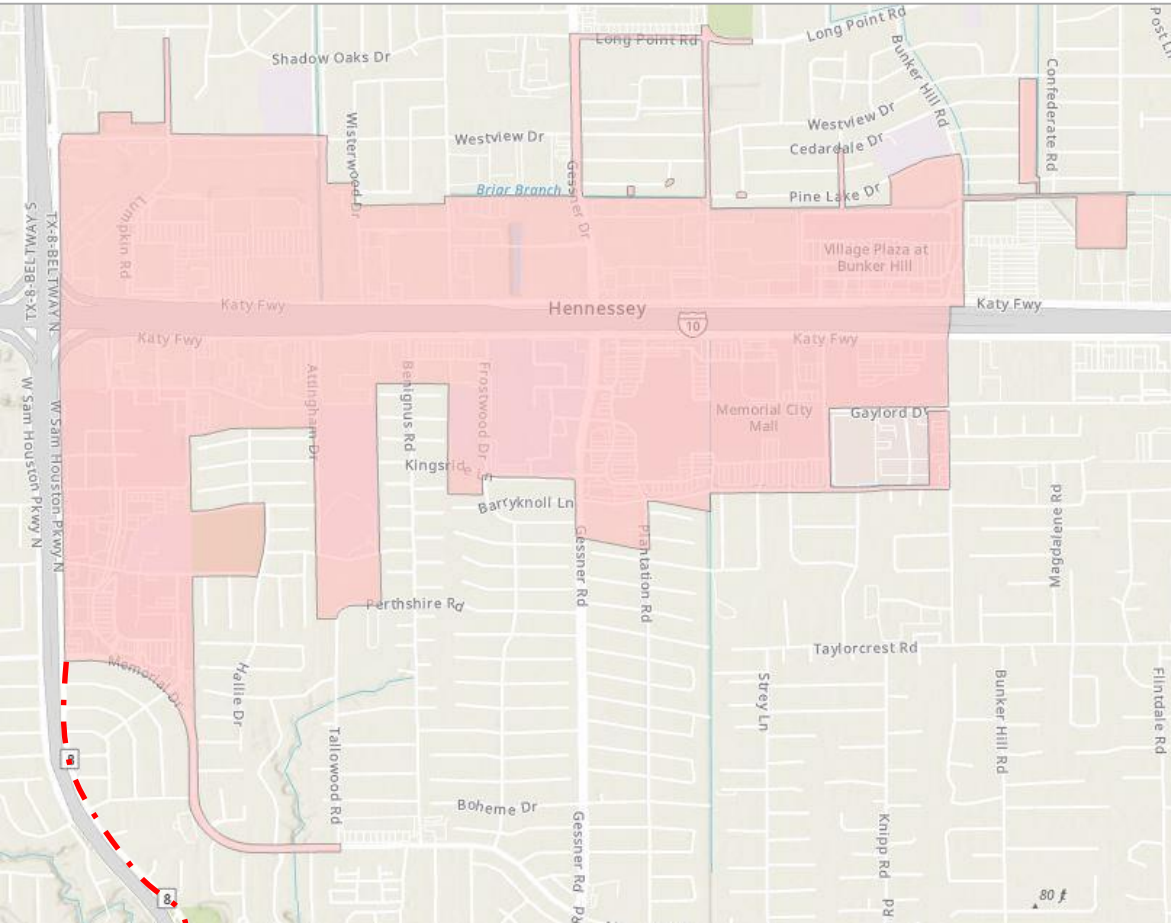
Value:
Approx. \$65 Million

- Projects Include:**
- Greenbriar Drainage Improvements
 - Shepherd Drainage Improvements
 - West Alabama St Reconstruction (including drainage)





Memorial City – Annexation



Purpose:

Allow for additional projects in annexed right-of-way

Value:

Right-of-Way Acquisition

Projects Include:

- Hike and Bike Trail (Memorial Dr to Terry Hershey Park)



Lake Houston – Debt Authorization

Purpose:

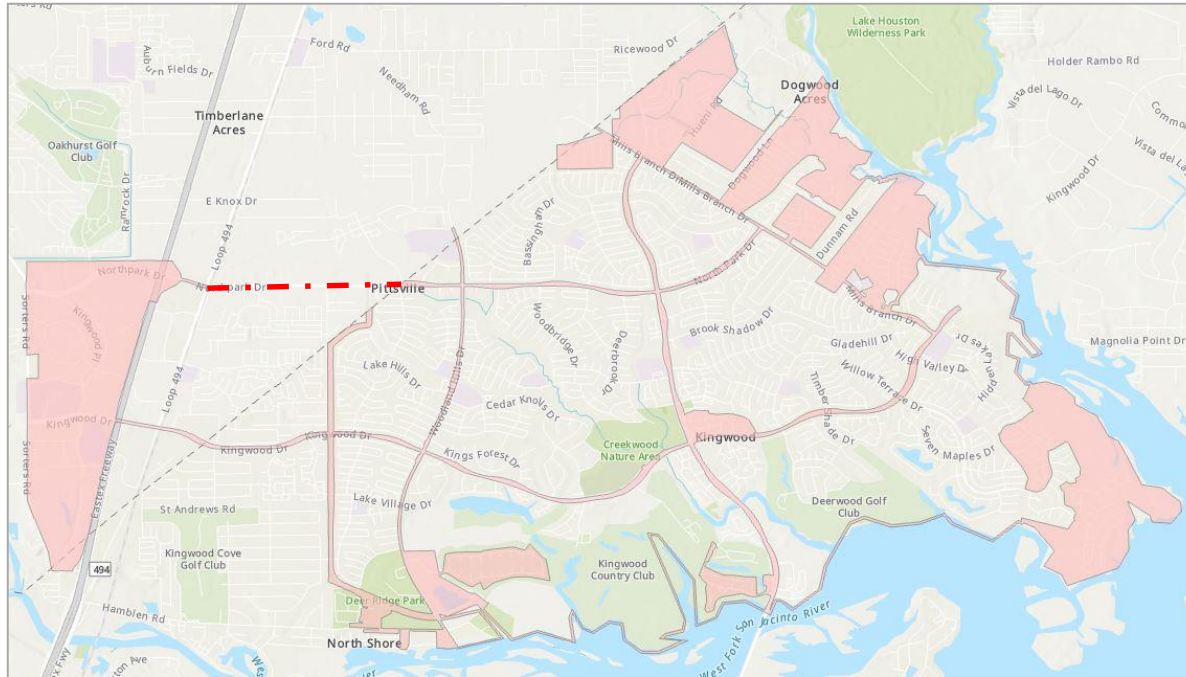
Improve mobility and resiliency along major roadways in the area

Value:

Approx. \$50 Million

Projects Include:

- Northpark Drive





Lake Houston – Life Extension

Purpose:

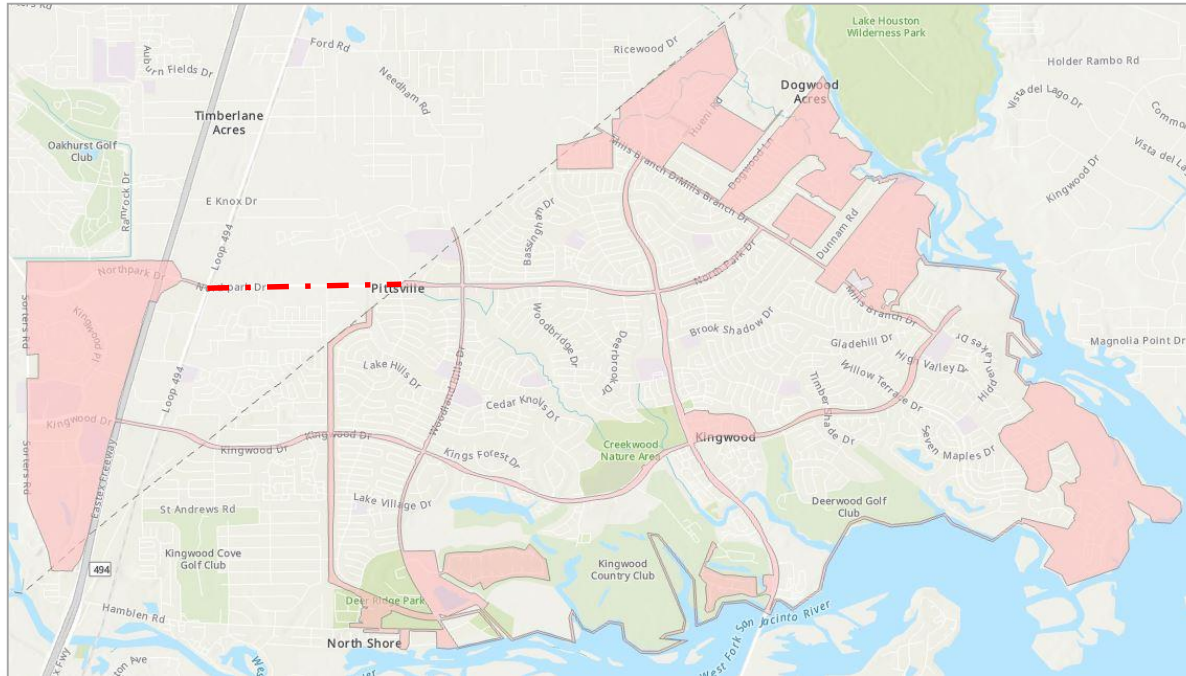
Improve mobility and resiliency along major roadways in the area

Value:

20 Year Extension to 2048

Projects Include:

Northpark Drive





Lake Houston – Annexation

Purpose:

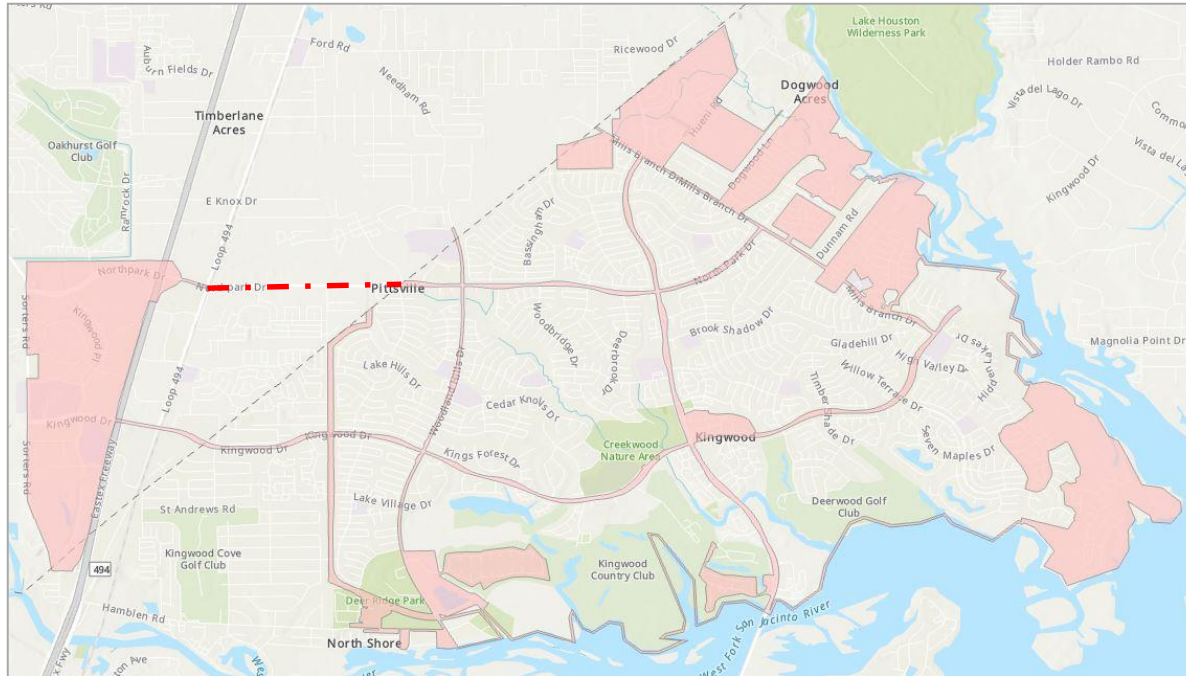
Improve mobility and resiliency along major roadways in the area

Value:

Right-of-Way Acquisition

Projects Include:

- Northpark Drive





TIRZ Council Actions

Questions?

